

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
COUNTY OF ESSEX
AUDITORS' MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2017

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
COUNTY OF ESSEX
AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE
FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2017
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October 31, 2017

The Honorable President and Members
of the Board of Education
Bloomfield Township School District
County of Essex, NJ

We have audited, in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Board of Education of the Bloomfield Township School District in the County of Essex for the fiscal year ended June 30, 2017, and have issued our report thereon dated October 31, 2017.

As part of our audit, we performed procedures required by the New Jersey Department of Education, and the findings and results thereof are disclosed on the following pages, as listed in the accompanying table of contents. This letter does not affect our report dated October 31, 2017, on the financial statements of the Board.

We will review the status of the comments, during our next audit engagement. We have already discussed any comments and suggestions with various management personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

This report is intended for the information of the Bloomfield Township School District's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

NISIVOCCIA LLP



William F. Schroeder
Licensed Public School Accountant #2112
Certified Public Accountant

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2017

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator and Treasurer, the activities of the Board of Education, the records of the various funds under the auspices of the Board of Education.

Administrative Practices and Procedures

Insurance

Multi-peril insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule contained in the District's CAFR.

Officials in Office and Surety Bonds

<u>Name</u>	<u>Position</u>	<u>Coverage</u>
Kerry Keane	Treasurer	\$405,000
Mark Resnick	Interim School Business Administrator/Board Secretary	500,000

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were different than estimated costs. The Board made a proper adjustment to the billings to sending districts for the change in per pupil costs in accordance with N.J.A.C. 6A:23-3.1(f)3.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid, on a test basis, during the period under review did not indicate any discrepancies with respect to signatures, certification or supporting documentation.

Payroll Account and Position Control Roster

The net salaries of employees of the Board were deposited in the Payroll Account. Employees' payroll deductions and employer's share of fringe benefits were deposited in the Payroll Agency Account.

All payrolls were not approved by the Superintendent and certified by the President of the Board and the School Business Administrator, and the Superintendent.

Finding:

The District did not obtain payroll approval and certification signatures on the payroll registers.

Recommendation:

It is recommended that the required payroll approval and certification signatures be obtained on the payroll registers.

Management Response:

The District will ensure that the required payroll approval and certification signatures are obtained on the payroll registers.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
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(Continued)

Financial Planning, Accounting and Reporting (Cont'd)

Payroll Account and Position Control Roster (Cont'd)

Salary withholdings were promptly remitted to the proper agencies, including health benefits withholding due to the general fund.

The required certification (ECERT1) of compliance with requirements for income tax on compensation of administrators (superintendent, assistant superintendents and business administrators) to the NJ Department of Treasury was filed by the March 15 due date.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made on a test basis as of June 30, for proper classification of orders as reserve for encumbrances and accounts payable.

Finding:

During our testing of open purchase orders, it was noted that two purchase orders should have been adjusted for proper recognition at year end. The necessary adjustments were made for proper recognition and presentation at June 30, 2017 in the District's accounting records and CAFR.

Recommendation:

It is recommended that all open purchase orders be reviewed for proper recognition at year end.

Management's Response:

Management will ensure that all open purchase orders are reviewed for proper recognition at year end.

Classification of Expenditures – General and Administrative

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23A-16.2(f) as part of our test of transactions of randomly selected expenditure items. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. In addition to randomly selecting a test sample, we reviewed administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.2. As a result of the procedures performed, no errors were noted and no additional procedures were deemed necessary to test the propriety of expenditure classifications.

Board Secretary's Records

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Board Secretary's records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments except as noted on the following page.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
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FISCAL YEAR ENDED JUNE 30, 2017
(Continued)

Financial Planning, Accounting and Reporting (Cont'd)

Board Secretary's Records (Cont'd)

Finding:

During our review of Summer Arts Program and Innovation Summer Institute deposits, it was noted that receipts were not always deposited in a timely manner.

Recommendation:

It is recommended that Summer Arts Program and Innovation Summer Institute receipts be deposited in a timely manner.

Management Response:

Administration will ensure all deposits are made in a timely manner.

Finding:

During our review of the Special Revenue Fund, it was noted that the 2015-16 I.D.E.A. - Part B, Basic Regular completion report was not in agreement with the District's accounting records which resulted in an overclaim. As the District obtained permission to modify the 2016-17 completion report to correct the overclaim, no formal recommendation is deemed necessary.

Treasurer's Records

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Treasurer's records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments.

No Child Left Behind (N.C.L.B.)

The N.C.L.B. financial exhibits are contained herein within the Special Revenue Section of the District's CAFR. This section of the CAFR documents the financial position pertaining to projects under Title I, II and III of the No Child Left Behind Act.

The study of compliance for the N.C.L.B. did not indicate any area of noncompliance.

Other Special Federal and/or State Projects

The District's Special Projects were approved as listed on Schedule A and Schedule B located in the CAFR.

Our audit of the federal and state funds on a test basis indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

The financial exhibits are contained within the Special Revenue Section of the CAFR. This section of the CAFR documents the financial position pertaining to the aforementioned special projects.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
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FISCAL YEAR ENDED JUNE 30, 2017
(Continued)

T.P.A.F. Reimbursement

Our audit procedures included a test of the biweekly reimbursements filed with the Department of Education for District employees who are members of the Teachers' Pension and Annuity Fund. No exceptions were noted.

T.P.A.F. Reimbursement to the State for Federal Salary Expenditures

The T.P.A.F. Reimbursement to the State for Federal Salary Expenditures was remitted to the State of New Jersey prior to the required deadline of October 1, 2017. The reimbursement form was reviewed and no exceptions were noted.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A. 18A:18A-3 states:

a. "When the cost or price of any contract awarded by the purchasing agent in the aggregate, does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by resolution of the Board of Education without public advertising for bids and bidding therefore, except that the Board of Education may adopt a resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L.1971, c. 198 the Board of Education may establish that the bid threshold may be up to \$25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.

b. Commencing in the fifth year after the year in which P.L.1999, c. 440 takes effect and every five years thereafter, the Governor, in consultation with the Department of Treasury, shall adjust the threshold amount and the higher threshold amount which the Board of Education is permitted to establish as set forth in subsection a. of this section or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in N.J.S.A. 18A:18A-2, and shall round the adjustment to the nearest \$1,000. The Governor shall notify all local school districts of the adjustment no later than June 1 of every fifth year. The adjustment shall become effective on July 1 of the year in which it is made"

N.J.S.A. 18A:18A-4 states, "Every contract for the provision or performance of any goods or services the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the Board of Education to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this chapter or specifically by any other law"

Effective July 1, 2015 and thereafter the bid thresholds in accordance with *N.J.S.A.* 18A:18A-2 and 18A:18A-3(a) are \$40,000 (with a Qualified Purchasing Agent) and \$29,000 (without a Qualified Purchasing Agent), respectively. The law regulating bidding for public school student transportation contracts under *N.J.S.A.* 18A:39-3 is currently \$18,800.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
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FISCAL YEAR ENDED JUNE 30, 2017
(Continued)

Contracts and Agreements Requiring Advertisement for Bids (Cont'd)

As per N.J.S.A. 18A:18A-3, the Board passed a resolution authorizing the Business Administrator as a qualified purchasing agent and increasing the bid threshold to \$40,000.

The Board of Education has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the contract year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Attorney's opinion should be sought before a commitment is made.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed. General compliance was noted.

The results of our examination indicated that no individual payments, contracts, or agreements were made "for the performance of any work or the furnishing or hiring of any materials or supplies", in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provision of N.J.S.A. 18A:18A-4.

Resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 18A:18A-5.

The system of records did not provide for an accumulation of purchases for which the school board used contracts entered into by the State Department of Purchase and Property pursuant to Ch. 114, P.L. 1977, therefore, the extent of such purchases could not reasonably be ascertained.

School Food Service

The school food service program was not selected as a major federal and/or state program. We inquired of school management, or the appropriate school food service personnel, as to whether the SFA had any Child Nutrition Program reimbursement overclaims or underclaims. No exceptions were noted.

We also inquired of school management, or appropriate school food service personnel, as to whether the SFA's expenditures of school food service revenues were limited to allowable direct and indirect costs. No exceptions were noted.

Non-program foods were purchased, prepared or offered for sale. The Statement of Revenue, Expenses and Changes in Net Position in the CAFR Schedule B-5 does separate program and non-program revenue and program and non-program cost of goods sold.

Student Body Activities

In planning and performing our audit of the financial statements of the Board, we considered the condition of the records of the Student Activities Fund for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2017
(Continued)

Application for State School Aid

Our audit procedures included a test of information reported in the October 14, 2016 Application for State School Aid (ASSA) for on-roll, private schools for the disabled, low income and bilingual students. We also performed a review of the District procedures related to its completion. The information on the ASSA was compared to the District workpapers with exceptions in the counts for on-roll, private schools for disabled, low-income and limited English proficient (LEP) students reported as detailed below. The information that was included on the workpapers was verified on a test basis with two minor exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments.

Finding:

Our review of the District's 2017-2018 Application for State School Aid revealed that the District did not accurately report the number of on-roll students (4 errors), private schools for disabled students (11 errors), resident low-income students (27 errors, net), resident limited English proficient (LEP) not low income students (8 errors, net) or resident limited English proficient (LEP) low income students (3 errors, net) for a total of 53 errors, net, on the application as compared to the District's supporting workpapers.

Recommendation:

It is recommended that greater care be taken to ensure the accuracy of the counts for the on-roll, private schools for disabled, low-income and LEP students in the District's Application for State School Aid (ASSA).

Management's Response:

The District will implement procedures to ensure the accuracy of the counts for on-roll, private schools for disabled, low-income and LEP students in the District's Application for State School Aid (ASSA).

Pupil Transportation

Our audit procedures included a test of on-roll status reported in the 2016-2017 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report on a test basis with four minor exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments.

Our procedures also included a review of transportation related contracts and purchases. Based on our review, the District complied with proper bidding procedures and award of contracts. No exceptions were noted in our review of transportation related purchases of goods and services.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2017
(Continued)

Travel Expense and Reimbursement Policy

Travel regulations require each District to adopt a formal policy and procedure pertaining to travel and expense reimbursement for its employees and board members. The regulations include requirements for the District to establish a maximum travel amount for the year and to ensure that the maximum amount is not exceeded. The regulations also require that all travel must be preapproved by the Board of Education and Superintendent and that a brief report detailing the key issues addressed at the travel event must be submitted after the travel event has occurred.

Our review of the travel policies and records revealed that the District is in general compliance with the travel regulations.

Facilities and Capital Assets

Our procedures included a review of the SDA grant agreements for consistency with recording SDA revenue, transfer of local funds from the general fund or from the capital reserve account, and awarding of contracts for eligible facilities construction. Based on these procedures, we have no comments except as noted herein.

Finding:

During our review of the District's capital assets, it was noted that not all equipment is tagged and that additions and deletions are not being fully accounted for in the capital assets reporting system.

Recommendation:

It is recommended that the District implement procedures to ensure that all capital assets are tagged and that additions and deletions are fully accounted for in the capital assets reporting system.

Management's Response:

Management will ensure that procedures are implemented to ensure that all capital assets are tagged and that additions and deletions are fully accounted for in the capital assets reporting system.

Management Suggestions

Governmental Accounting Standards Board Statements

The next Governmental Accounting Standards Board ("GASB") statement which will have a significant impact on the District will be GASB#75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, will be effective for the fiscal year ending June 30, 2018. This standard replaces GASB#45, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. It is similar to GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* in that successful implementation of this standard will require the provision of certain key financial and non-financial information from the New Jersey Division of Pensions.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2017
(Continued)

Management Suggestions (Cont'd)

Cyber Security

Cyber-crime has become much more prevalent in the last few years. Websites and internal networks, including personally identifiable information (“PII”), have been hacked and resulted in significant losses to organizations, both financial and reputational. We suggest that the District consider options to test and protect the District from cyber-crime.

Capital Projects

We have noted that certain projects contained within the Capital Projects Fund are near or fully completed, one of which is funded in part with a Schools Development Authority (“SDA”) grant. The District should ensure that SDA grant reimbursement is requested and collected and address the balances remaining in the projects that are completed and return the remaining funds to the appropriate fund. The Capital Projects Fund should only contain active projects and all completed projects should be removed from the fund.

Student Activities

It has recently been determined that certain School District personnel may not be completely aware of the limitations and restrictions on the use of Student Activity Funds. We believe it is important that the District be aware that any pupil organization which is part of the activity program of the School District, places at least indirect responsibility for supervision and control of that organization with the Board of Education. We suggest that the Board formally approve each school club or activity. As directed by the New Jersey Department of Education, collections related to fund raising for outside organizations should not be maintained in the District’s Student Activity Funds.

Additionally, the District should ensure that District-wide standard policies and procedures are implemented for all Student Activity Funds. These policies should indicate the student activities funds are to be utilized for the benefit of the student activity or club and not to be utilized for enhancement of instructional programs or school facilities. The District should at least at a minimum communicate to school personnel on an annual basis the District’s policies and procedures regarding Student Activity Funds. We suggest that these policies include guidance regarding timely deposits of funds and the safeguarding of funds prior to deposit as well as the appropriate purchasing guidelines for student activities disbursements.

Status of Prior Year Findings/Recommendations

The prior year recommendations regarding claims vouchers and the related supporting documentation, the verification report for free and reduced meal applications and reporting transported students in the District Report of Transported Resident Students were resolved in the current year. The prior year recommendations regarding the Application for School State Aid and Summer Arts Program and Innovation Summer Institute receipts were not corrected during the current year and are included in the current year’s findings.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 14, 2016

	2017-2018 Application for State School Aid						Sample for Verification					
	Reported on		Reported on		Errors		Sample		Verified per		Errors per	
	ASSA		Workpapers				Selected from		Registers		Registers	
	On Roll		On Roll		Workpapers		On Roll		on Roll			
Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	
Preschool:												
3 Year Old Half Day	3		3				3		3			
4 Year Old Half Day	18		18				18		18			
3 Year Old Full Day	6		6				6		6			
4 Year Old Full Day	12		12				12		12			
Kindergarten Full Day	422		422				422		422			
Grade One	438		438				438		438			
Grade Two	419		419				419		419			
Grade Three	439		439				439		439			
Grade Four	431		431				431		431			
Grade Five	395		395				395		395			
Grade Six	402		402				402		402			
Grade Seven	401		401				401		401			
Grade Eight	387		387				387		387			
Grade Nine	381		381				381		381			
Grade Ten	462		462				462		462			
Grade Eleven	425		425				425		425			
Grade Twelve	372		372				372		372			
Subtotal	5,413		5,413				5,413		5,413			
Special Education:												
Elementary School	416		420		(4)		15		15			
Middle School	204		204				10		10			
High School	323		323				15		15			
Subtotal	943		947		(4)		40		40			
Totals	6,356	-0-	6,360	-0-	(4)	-0-	5,453	-0-	5,453	-0-	-0-	-0-
Percentage Error					0.06%	0.00%					0.00%	0.00%

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
 SCHEDULE OF AUDITED ENROLLMENT
 APPLICATION FOR STATE SCHOOL AID SUMMARY
 ENROLLMENT AS OF OCTOBER 14, 2016

	Private Schools for Disabled				Resident Low Income						
	Reported on ASOA Private Schools	Reported on Workpapers as Private Schools	Sample for Verification	Sample Verified	Sample Errors	Reported on ASOA as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Full Day Kindergarten						146	148	2	4	4	
Grade One						182	174	(8)	4	4	
Grade Two						175	173	(2)	4	4	
Grade Three						188	185	(3)	4	3	1
Grade Four						184	180	(4)	4	4	
Grade Five						166	162	(4)	4	4	
Grade Six						184	183	(1)	4	4	
Grade Seven						169	168	(1)	4	4	
Grade Eight						178	177	(1)	4	4	
Grade Nine						179	179		6	5	1
Grade Ten						236	236		4	4	
Grade Eleven						183	182	(1)	4	4	
Grade Twelve						165	165		4	4	
Subtotal						2,335	2,312	(23)	54	52	2
Special Education:											
Elementary School	7	1	6	2		207	207		3	3	
Middle School	8	3	5	1		125	128	(3)	1	1	
High School	22	22	2	2		178	179	(1)	2	2	
Subtotal	37	26	11	5		510	514	(4)	6	6	
Totals	37	26	11	5	-0-	2,845	2,826	(27)	60	58	2
Percentage Error			29.73%		0.00%			0.95%			3.33%

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 14, 2016

	Resident LEP Not Low Income					Sample Errors
	Reported on A.S.S.A. as LEP Not Low Income	Reported on Workpapers LEP Not Low Income	Errors	Sample Selected from Workpapers	Verified to Test Scores and Register	
Kindergarten:						
Full Day	8	11	(3)	1	1	
Grade One	5	6	(1)	1	1	
Grade Two	9	12	(3)	1	1	
Grade Three	5	5				
Grade Four	6	8	(2)	1	1	
Grade Five	5	5				
Grade Six	6	5	1	1	1	
Grade Eight	3	3				
Grade Nine	6	8	(2)	1	1	
Grade Ten	11	5	6	2	2	
Grade Eleven	8	8				
Grade Twelve	4	6	(2)	1	1	
Subtotal	<u>76</u>	<u>82</u>	<u>(6)</u>	<u>9</u>	<u>9</u>	
Special Ed - Elementary	3	2	(1)	1	1	
Special Ed - Middle School	1	1				
Special Ed - High School	2	1	(1)			
Subtotal	<u>6</u>	<u>4</u>	<u>(2)</u>	<u>1</u>	<u>1</u>	
Totals	<u>82</u>	<u>86</u>	<u>(8)</u>	<u>10</u>	<u>10</u>	
Percentage Error			<u>9.76%</u>			<u>0.00%</u>

	Resident LEP Low Income					Sample Errors
	Reported on A.S.S.A. as LEP Not Low Income	Reported on Workpapers LEP Not Low Income	Errors	Sample Selected from Workpapers	Verified to Test Scores, Application and Register	
Kindergarten:						
Full Day	19	15	4	1	1	
Grade One	14	12	2	1	1	
Grade Two	18	20	(2)	2	2	
Grade Three	7	8	(1)	1	1	
Grade Four	12	12		1	1	
Grade Five	6	6		1	1	
Grade Six	11	13	(2)	1	1	
Grade Seven	6	6		1	1	
Grade Eight	3	3		1	1	
Grade Nine	18	16	2	1	1	
Grade Ten	18	22	(4)	2	2	
Grade Eleven	17	18	(1)	2	2	
Grade Twelve	15	13	2	2	2	
Subtotal	<u>164</u>	<u>164</u>	<u>-0-</u>	<u>17</u>	<u>17</u>	
Special Ed - Elementary	11	13	2	1	1	
Special Ed - Middle School	1	1		1	1	
Special Ed - High School	2	3	1	1	1	
Subtotal	<u>14</u>	<u>17</u>	<u>3</u>	<u>3</u>	<u>3</u>	
Totals	<u>178</u>	<u>181</u>	<u>3</u>	<u>20</u>	<u>20</u>	
Percentage Error			<u>1.69%</u>			<u>0.00%</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 14, 2016

	Transportation					
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Regular - Public Schools	792	792		25	22	3
Regular - Special Ed	14	14		2	2	
Transported - Non Public	1	1		1	0	1
AIL - Non Public	376	376		25	25	
Special Needs - Public	81	81		8	8	
Special Needs - Private	35	35		4	4	
Totals	<u>1,299</u>	<u>1,299</u>		<u>65</u>	<u>61</u>	<u>4</u>
Percentage Error			<u>0.00%</u>			<u>6.15%</u>

Average Mileage:	Reported	Re- calculated
Regular Including Grade PK Students	4.2	4.2
Regular Excluding Grade PK Students	4.2	4.2
Special Education with Special Needs	5.4	5.4

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
FISCAL YEAR ENDED JUNE 30, 2017

REGULAR DISTRICT

SECTION 1

2% Calculation of Excess Surplus

2016-17 Total General Fund Expenditures per the CAFR, Ex. C-1	<u>\$ 101,442,678</u> (B)
Increased by:	
Transfer from Capital Outlay to Capital Projects Fund	<u>\$</u> (B1a)
Transfer from Capital Reserve to Capital Projects Fund	<u>\$ 286,420</u> (B1b)
Transfer from General Fund to SRF for PreK - Regular	<u>\$</u> (B1c)
Transfer from General Fund to SRF for PreK - Inclusion	<u></u> (B1d)
Decreased by:	
On-Behalf TPAF Pension and Social Security	<u>\$ 10,885,897</u> (B2a)
Assets Acquired Under Capital Leases	<u>\$ 729,630</u> (B2b)
Adjusted 2016-17 General Fund Expenditures [(B)+(B1's)-(B2's)]	<u>\$ 90,113,571</u> (B3)
2% of Adjusted 2016-17 General Fund Expenditures [(B3) times .02]	<u>\$ 1,802,271</u> (B4)
Enter Greater of (B4) or \$250,000	<u>\$ 1,802,271</u> (B5)
Increased by: Allowable Adjustments	<u>\$ 845,262</u> (K)
Maximum Unassigned/Undesignated-Unreserved Fund Balance [(B5)+(K)]	<u>\$ 2,647,533</u> (M)

SECTION 2

Total General Fund - Fund Balances @ 6/30/2017 (Per CAFR Budgetary Comparison Schedule C-1)	<u>\$ 20,405,750</u> (C)
Decreased by:	
Year-End Encumbrances	<u>\$ 314,732</u> (C1)
Legally Restricted:	
Designated for Subsequent Year's Expenditures	<u>\$</u> (C2)
Excess Surplus - Designated for Subsequent Year's Expenditures	<u>\$ 2,510,443</u> (C3)
Other Restricted Fund Balances	<u>\$ 12,806,500</u> (C4)
Assigned Fund Balance:	
Unreserved - Designated for Subsequent Year's Expenditures	<u>\$ 377,544</u> (C5)
Additional Assigned Fund Balance:	
Unreserved - Designated for Subsequent Year's Expenditures July 1, 2017 - August 1, 2017	<u>\$</u> (C6)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)-(C6)]	<u>\$ 4,396,531</u> (U1)

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
FISCAL YEAR ENDED JUNE 30, 2017
(Continued)

SECTION 3

Restricted Fund Balance - Excess Surplus [(U1)-(M)] IF NEGATIVE, ENTER -0- \$ 1,748,998 (E)

Recapitulation of Excess Surplus as of June 30, 2017

Restricted Excess Surplus - Designated for Subsequent Year's Expenditures \$ 2,510,443 (C3)

Restricted Excess Surplus [(E)] \$ 1,748,998 (E)

Total Excess Surplus [(C3)+(E)] \$ 4,259,441 (D)

Detail of Allowable Adjustments

Impact Aid \$ -0- (H)

Sale & Lease-back \$ -0- (I)

Extraordinary Aid \$ 779,838 (J1)

Additional Nonpublic School Transportation Aid \$ 65,424 (J2)

Current Year School Bus Advertising Revenue Realized \$ -0- (J3)

Family Crisis Transportation Aid \$ -0- (J4)

Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)] \$ 845,262 (K)

Detail of Other Restricted Fund Balances

Statutory Restrictions:

Approved Unspent Separate Proposal \$ -0-

Sale/Lease-back Reserve \$ -0-

Capital Reserve \$ 12,806,500

Maintenance Reserve \$ -0-

Emergency Reserve \$ -0-

Tuition Reserve \$ -0-

School Bus Advertising 50% Fuel Offset Reserve - Current Year \$ -0-

School Bus Advertising 50% Fuel Offset Reserve - Prior Year \$ -0-

Impact Aid General Fund Reserve (Sections 8002 and 8003) \$ -0-

Impact Aid General Fund Reserve (Sections 8007 and 8008) \$ -0-

Other State/Government Mandated Reserve \$ -0-

Other Restricted Fund Balances Not Noted Above \$ -0-

Total Other Restricted Fund Balances \$ 12,806,500 (C4)

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SUMMARY OF RECOMMENDATIONS
FISCAL YEAR ENDED JUNE 30, 2017

It is recommended that:

1. Administrative Practices and Procedures
None
2. Financial Planning, Accounting and Reporting
 - a) The required payroll approval and certification signatures be obtained on the payroll registers.
 - b) All open purchase orders be reviewed for proper recognition at year end.
 - c) Summer Arts Program and Innovation Summer Institute receipts be deposited in a timely manner.
3. Other Special Federal and/or State Projects
None
4. School Purchasing Program
None
5. School Food Service
None
6. Student Body Activities
None
7. Application for State School Aid

Greater care be taken to ensure the accuracy of the counts for the on-roll, private schools for disabled, low-income and LEP students in the District's Application for State School Aid (ASSA).
8. Pupil Transportation
None
9. Travel Expense and Reimbursement Policy
None

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SUMMARY OF RECOMMENDATIONS
FISCAL YEAR ENDED JUNE 30, 2017
(Continued)

It is recommended that:

10. Long-Term Debt

None

11. Facilities and Capital Assets

The District implement procedures to ensure that all capital assets are tagged and that additions and deletions are fully accounted for in the capital assets reporting system.

12. Status of Prior Year's Findings/Recommendations

The prior year recommendations regarding claims vouchers and the related supporting documentation, the verification report for free and reduced meal applications and reporting transported students in the District Report of Transported Resident Students were resolved in the current year. The prior year recommendations regarding the Application for School State Aid and Summer Arts Program and Innovation Summer Institute receipts were not corrected during the current year and are included in the current year's findings.